

MOUNDS LAKE

Phase II Feasibility



Corporation for
Economic Development
Anderson / Madison County, IN

Community Outreach Report

February 10th, 2015

A graphic of a blue water splash with droplets, positioned above the 'IMAGINE' text.

IMAGINE
MOUNDS  LAKE

The 'ML' logo is a circular emblem with the letters 'ML' and 'MOUNDS LAKE' around the perimeter.

Imagine Mounds Lake - CED Report

Central Indiana Water Needs

Over the last decade, several water studies have been conducted by municipalities, utilities and interested stakeholder organizations, including the following:

- *2004 Malcolm Pirnie Report*, City of Indianapolis
- *2010 Central Indiana's Regional Water Supply*, Greater Indianapolis Chamber of Commerce
- *2010 Black and Veatch Report*, City of Indianapolis Service Advisory Board
- *2014 Water and Economic Development in Indiana*, Indiana Chamber of Commerce

The consensus of these reports is that there are not sufficient water resources and distribution networks to affordably and reliably meet central Indiana's future water needs. These studies focused primarily on water supplies to meet future growth and did not examine the regions vulnerability to drought events. The need for additional water resources is being driven by sustained population and economic growth in central Indiana. Consider that the four fastest growing counties in the state are located in central Indiana and that the Indianapolis metropolitan area continues to be one of the fast growing metros in the United States. Furthermore, Indiana is number two nationally in terms of industrial water use. Finally, when central Indiana's primary water supply reservoirs were constructed, between 1940's and the late 1960's the population of the region was between 500,000 and 700,000. The population of this same region today is 1.8 million people. All of this growth has occurred without significant new water resources being developed.



70% of central Indiana's water supply comes from surface sources such as the White River and area reservoirs. An analysis of historic data reveals that the capacity of these surface sources is greatly diminished during drought events. The drought experienced across the Mid-west in 2012 lasted only four months. This event had been preceded by several years with average and

above average rainfall, so groundwater resources were plentiful at the start of the drought. However, this relatively short duration event resulted in an irrigation water ban for the central Indiana region. A longer drought, such as the two year long event experienced from 1940 to 1941 would prove to be extremely challenging for the region at this time from a water supply perspective.

Promoting conservation efforts and performing system maintenance to minimize water losses are an important components of central Indiana's overall water plan. However, these measures will not address future supply needs or provide sufficient drought protection. Other options plan for the increased reliance on groundwater sources to meet baseline water supply needs. The increased use of groundwater sources will not provide adequate resources for future regional growth and may have unintended consequences by reducing surface water source production capacity. Surface water sources and groundwater aquifers are complex and interrelated systems. Furthermore, more frequent withdrawals from groundwater sources will increase drought vulnerability of the region by reducing the ability to rely on this source during sustained drought events.

Mounds Lake would offer the ability to supply 40 million gallons per day of processed water into a regional distribution system while holding several billion gallons of water in reserve for long term regional drought preparedness. Also, the 2014 study conducted by the Indiana Chamber of Commerce identified areas in the central and near southern region of Indiana where there are no water sources to be developed. Mounds Lake would provide significantly increased overall regional capacity, so that these areas could be serviced by expanded distribution networks.

The current need for additional water resources, the large size and capacity of Mounds Lake, its geographic location and the viability of the overall financial plan make this an attractive solution to meet central Indiana's future water needs.

Public Outreach – Imagine Mounds Lake

Since the project was made public in March of 2013, the Mounds Lake project team has worked hard to inform the public, provide opportunities for public comment and meet with interested individuals and stakeholder groups about the project. Significant efforts have been made to provide media outlets with accurate and complete information about various project aspects. This includes interviews with a variety of newspaper, radio and television outlets.

A website (www.moundslake.com) was developed early in the Mounds Lake project process as well as social media outlets and has been an important tool to provide a central location for access to information. The website includes basic information about the overall project, topical videos, access to various subject matter reports, an online survey and contact information for Mounds Lake project team members. The Mounds Lake team continues to update the website on a regular basis.



Mounds Lake project team members have conducted informational presentations about Mounds Lake to high school students, college students, trade organizations, service groups and at various statewide conferences. Project team members have presented dozens of these presentations since the project's beginning. In addition, project team members have presented to and been available to answer

questions at approximately 16 public meetings, such as city council meetings, town council meetings and various county government meetings.

Rob Sparks, ACED Executive Director, has met personally with local and regional government officials to discuss how the project could impact specific communities and stakeholder groups. Also, R. Sparks has met personally with several of the property owners that own property located within the proposed footprint of the Mounds Lake. Also, shortly before and then after the project was made public letters were sent to all property owners within and adjacent to the Mounds Lake footprint.

In the spring of 2013 a series of three public forums were conducted in Chesterfield, Daleville and Anderson. The meetings consisted of several members of the Mounds Lake project team presenting in a panel format. These were moderated meetings and questions were taken on note cards and via social media. The total attendance at these meetings is estimated to be over 1200.

Imagine Mounds Lake Community Sessions

In August 2014 the ACED conducted a series of interactive visioning sessions, designed to give area residents an opportunity to provide feedback about the Mounds Lake project and learn more about the Phase II Feasibility Study findings. Sessions were held during the week of August 19 through August 23 in Chesterfield, Daleville, Yorktown and Anderson. The main exhibit was located in Anderson's Mounds Mall, which is located within the proposed Mounds Lake footprint.



The goal of the sessions was to involve the community in the project and spark the imagination of local residents. There was an attempt to provide a more immersive experience by presenting information visually, through videos and by having large numbers of well-trained project team members and volunteers available to answer questions from attendees. These sessions provided a picture of what Mounds Lake could look like and mean for communities in Madison and Delaware Counties.

Nearly 4000 people experienced the Imagine Mounds Lake visioning sessions.

Next Steps

As the Mounds Lake project moves to form the Mounds Lake Commission the project will be discussed at numerous public meetings. Once the Commission is formed the Commission's executive team will work with all the impacted communities on a range of planning and public outreach activities.

Mound Lake Commission – Structure and Formation

The Mounds Lake project has progressed to the point where it is beneficial for the impacted communities to take a leadership role in advancing this process. This provides these communities the opportunity to have direct involvement in the future of Mounds Lake, if they decide to participate. After considerable research and discussion, it has been decided that an effort will be made to form a commission consisting of appointed members from the impacted communities. The Mounds Lake Commission, as currently defined would be a legally recognized community led board, established under Indiana code to advance the Mounds Lake Project. Once formed, the Commission will be responsible for attending to near term issues, while simultaneously building a foundation to address long term concerns, such as construction and operation of Mounds Lake. This governance structure gives our communities considerable flexibility to develop and operate Mounds Lake, now and for generations to come.

If the communities advance the project by voting to create the commission, full support will be provided by the Feasibility Team. A considerable amount of information has been compiled over the last four years. Commission members will be briefed extensively and the research information will be at their disposal. The current project team will work with the new Mounds Lake Commission to provide full support on tasks ranging from the creation of the executive team, establishing budgets, identifying funding sources, charting the path to start the permitting process all the way through project construction and operation stages.



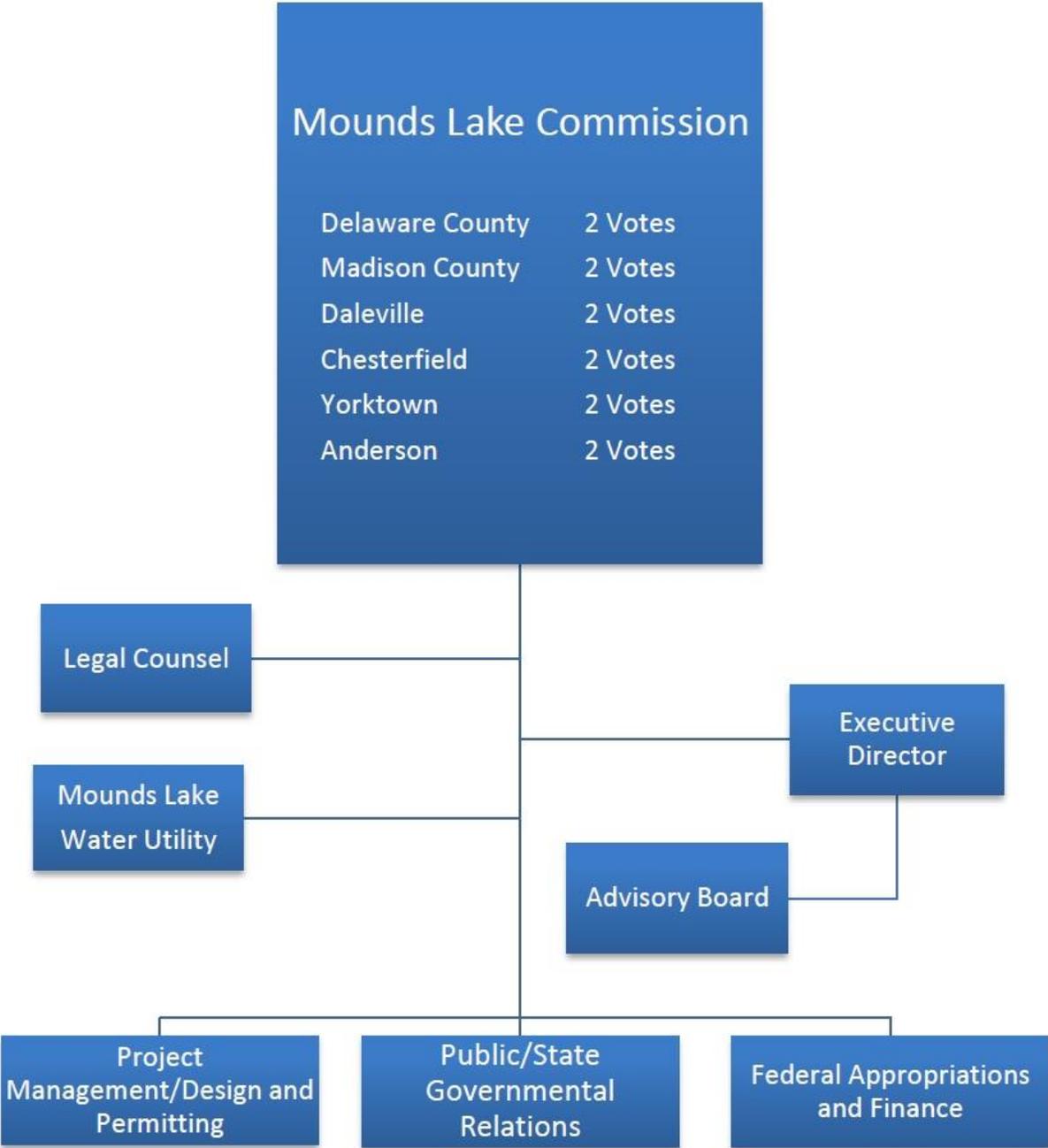
Mounds Lake Commission Overview and Structure

- Goal:** Develop a governance body to advance Mounds Lake into permitting, construction and operations.
- Summary:** Using established Indiana code, this proposed structure would Allow all eight governmental units to join together to advance Mounds Lake with the most possible community participation and control.
- Next Steps:** It is proposed that the local governmental units place on their agendas for hearing and vote, their version of the attached ordinance (Anderson’s version) based off of the attached agreement.
- Structure:** Under Indiana code, the eight governing units can join together to create the proposed Mounds Lake Commission. Once the units appoint their member(s) to the Commission, the Commission would hire a four or five member executive staff to seek and secure funding for Phase III work. Create By-Laws for the Commission to operate from and pursue the Phase III work of permitting planning and design, project financing and construction and finally operate the utility.

The roles and needed expertise of the executive staff will change with time. It would be expected that consulting members of the executive team would change as project scope advances through the various stages of development.

Full support of advancing this project will be provided to the Commission members from the Feasibility Team through a strategic plan for Phase III. It would be expected to take six months from the introduction of the ordinances at the community meetings until the commission is up and processing Phase III work.

STRUCTURE CHART:



ORDINANCE:

ORDINANCE NO. _____

**AN ORDINANCE OF THE COMMON COUNCIL OF THE CITY OF ANDERSON, INDIANA
ESTABLISHING MULTIPLE COUNTY INFRASTRUCTURE AUTHORITY**

WHEREAS, the City of Anderson, the Towns of Chesterfield, Yorktown, and Daleville, and Madison and Delaware Counties (the "Participating Units") have engaged in informal discussions concerning the possible construction of the Mounds Lake Reservoir; and

WHEREAS, an agreement among the Participating Units has been prepared which is attached hereto as Exhibit A (the "Agreement"); and

WHEREAS, this Council finds that it is necessary and advisable for the Participating Units to form a Multiple County Infrastructure Authority pursuant to IC 36-7-23.

BE IT ENACTED that

- (1) The City of Anderson shall establish a multiple county infrastructure authority with the Participating Units pursuant to IC 36-7-4-1; and
- (2) The Agreement is hereby approved.

DULY PASSED, ORDAINED, AND ADOPTED this _____ day of _____, 2014, by the Common Council of the City of Anderson, Indiana by a vote of _____ in favor and _____ opposed.

Common Council of the City of
Anderson, Indiana

President

ATTEST:

Clerk-Treasurer

Approved by, and signed by me, the Mayor of the City of Anderson, Indiana this _____ day of _____ 2014.

Mayor

AGREEMENT:

AGREEMENT TO ESTABLISH A MUTIPLE COUNTY INFRASTRUCTURE AUTHORITY FOR THE CREATION, DEVELOPMENT AND CONSTRUCTION OF THE MOUNDS LAKE RESERVOIR IN MADISON COUNTY AND DELAWARE COUNTY, INDIANA

This Agreement (“AGREEMENT”) is made and entered into pursuant to Indiana Code 36-7-23-4(a)(2), by and among (1) Madison County, Indiana, by and through the Madison County Commissioners (“MCC”), the Madison County Council (“MCCO”); (2) Delaware County, Indiana, by and through the Delaware County Commissioners (“DCC”), the Delaware County Council (“DCCO”); (3) the City of Anderson, Indiana (“Anderson”); (4) the Town of Chesterfield, Indiana (“Chesterfield”); (5) the Town of Daleville (“Daleville”); and (6) the Town of Yorktown (“Yorktown”).

WITNESSETH:

WHEREAS, the perceived and real need for current and future water supply for central Indiana has been established; and

WHEREAS, Madison County, Indiana and Delaware County, Indiana join at the White River to create a terrain that supports a reservoir; and

WHEREAS, the MCC and MCCO represent the executive, legislative and fiscal bodies of Madison County, Indiana; and

WHEREAS, the DCC and DCCO represent the executive, legislative and fiscal bodies of Delaware County, Indiana; and

WHEREAS, Anderson, Chesterfield, Daleville and Yorktown are each municipal corporations organized and existing under the laws of the State of Indiana; and

WHEREAS, each of the governmental units described hereinabove wishes to create and establish a multiple county infrastructure authority pursuant to IC 36-7-23 whose goal is to pursue a plan for the development, financing, permitting and construction of a reservoir in Madison County and Delaware County, Indiana; and

WHEREAS, each governmental unit described hereinabove agrees that it would benefit all parties to this Agreement if they could establish a representative body, to look at all aspects of the reservoir project, which include, but are not limited to, creating a water utility, zoning district, land use, highways, sewer, water, recreation, engineering and feasibility studies, and sources for funding the project; and

WHEREAS, each of the governmental units described hereinabove individually does not promise or commit local funding, fees or debt financing to the project or the Commission; and

WHEREAS, the respective governmental units desire to enter into this mutual beneficial Agreement for the betterment of their respective communities; and

WHEREAS, this Agreement is entered based upon the current jurisdictional boundaries of each of the Parties, the current statutory authorizations, and the Parties' current perceptions of the scope of their mutual interests; and

WHEREAS, the Parties have no ability to predict changes that may occur in their respective jurisdictional boundaries, in the underlying enabling legislation, or in the future scope of their mutual interests; and

WHEREAS, the Parties agree to work together in good faith to negotiate future amendments to this Agreement as may become reasonable and advisable as circumstances may change; and

WHEREAS, each of the governmental units has adopted ordinances authorizing the execution of this Agreement and the executives of Madison and Delaware County have executed an order so authorizing.

NOW, THEREFORE, it is mutually agreed by and between the parties hereto as follows:

1. That there is hereby established a Multiple County Infrastructure Authority to be known as the Mounds Lake Commission.
2. That the purpose of the Mounds Lake Commission (the "Commission") shall be:
 - A. To promote cooperation among the participating governmental units in the creation, development and construction of a reservoir in Madison County and Delaware County, Indiana. A copy of the preliminary drawing depicting the proposed location of the reservoir is attached to the Agreement and marked as "Exhibit A".
 - B. To utilize private and public sector resources for the development of the project.
 - C. To plan and develop the infrastructure of the reservoir, including all water resources, highways and all utilities, including but not limited to, a new water utility, water, sewer, electric, telecommunications and gas lines, as well as, all necessary planning and zoning.
 - D. To coordinate and work with all state and federal governmental agencies, including but not limited to, the Governor, Indiana General Assembly, Indiana Department of Natural Resources, Indiana Department of Environmental Management, Indiana Department of Transportation, U.S. Department of Homeland Security, Environmental Protection Agency, U.S. Army Corps of Engineers, Federal Emergency Management Agency, and the Federal Aviation Administration.
 - E. To develop a plan for the operation and use of the reservoir.

- F. To provide a plan for funding the project, utilizing both the public and private sectors to find the best revenue sources.
 - G. To provide a plan in which the operation of the infrastructure will generate sufficient revenue to pay off any long term debt.
3. That the power and authority shall be vested in a board of directors to be known as the Mounds Lake Commission Board of Directors (“Board”). The Board shall be comprised of twelve (12) members as follows:
- A. One (1) member shall be appointed by the executive of each participating unit; and
 - B. One (1) member shall be appointed by the fiscal body of each unit.
 - C. A member must be an elected official of the unit he or she represents and must reside within the unit that he or she represents.
 - D. Each member shall serve a term of four (4) years from the date of his or her appointment and shall continue to serve until his or her successor is appointed. The terms of the initial members appointed by the fiscal bodies of Madison and Delaware Counties and the City of Anderson shall expire after one (1) year. The terms of the initial members appointed by the fiscal bodies of Daleville, Chesterfield and Yorktown shall expire after two (2) years. The terms of the initial members appointed by the executive of Madison and Delaware Counties and Anderson shall expire after three (3) years; and the terms of the remaining initial members shall expire after four (4) years.
 - E. A member of the Board may be removed by the appointing authority for absenteeism or if he or she ceases to be an elected official.
 - F. At its first meeting, and thereafter at the first meeting of each successive year, the members of the Board shall elect a Chairman, Vice Chairman and Secretary.
 - G. The Board shall meet not less than on a quarterly basis, and all meetings shall be subject to the provisions of the open door law.
 - H. Seven (7) members of the Board shall constitute a quorum.
 - I. All members shall serve without compensation.
4. The Board and the Commission shall have all powers and duties set forth in I.C. 36-7-23.
5. The Commission shall have the authority to hire such employees and retain such professional services as are necessary to assist the Commission, including without

limitation an executive director, secretary, legal counsel, engineers and technical experts.

6. At the first meeting of the Board, the Board shall appoint a five (5) member Executive Committee, one of whom shall be selected as the Chairman of the Executive Committee. Members of the Executive Committee are entitled to compensation as determined by the Board. The Executive Committee shall initially be charged with recommending to the Board for approval such bylaws, rules and regulations as necessary to accomplish the goals and objectives of the Commission. The Executive Committee shall also be charged with recommending to the Board for approval a plan for obtaining financing for the project. The Executive Committee shall have such other authority as determined by the Board.
7. This Agreement shall be in full force and effect from and after its approval by each of the governmental units as may be required by law, its execution by a duly authorized representative, its filing with the State of Indiana, and recording in the Offices of the Recorders of Madison County and Delaware County, Indiana. The term of this Agreement shall be perpetual, unless terminated by seventy five (75) percent agreement of the parties.

SIGNATURE PAGES TO BE ADDED

Summary

The Mounds Lake Commission, as defined, would be a legal community lead board structured under Indiana code to advance the Mounds Lake Project. While needing to address issues of the day and forecasting years into the future, this structure gives our community the most flexibility to develop Mounds Lake.

If the community advances the project by voting to create the commission, full support will be provided to the commission from the work completed during the last four years of research by the Feasibility Team. From the creation of the executive team and their selection, to the budgets, funding resources and a directional path to begin the permitting, design and community planning phase, to construction and operations, full support will be provided to advance this project.

